

CONTRACT AMENDMENT

ARIZONA
DEPARTMENT OF CORRECTIONS
PROCUREMENT SERVICES
1601 W. JEFFERSON, M/C 55302
PHOENIX, ARIZONA 85007

CONTRACT NO. 080148DC

AMENDMENT NO. 4

CONTACT: Sharon Yarbrough

A copy of this amendment must be received by the Department of Corrections.
This Contract is amended as follows:

December 1, 2011

Beth Sobotka, Managing Partner
Pragmatica, LLC
425 West Ray Road
Gilbert, Arizona 85233

Justice Web Interface Application Maintenance and Service

Pursuant to the provisions of the above Contract referenced, under Special Terms and Conditions, Paragraph 1.2, please be advised that this office is hereby exercising the option to renew this contract, at the discounts/prices quoted, for an additional twelve (12) months.

If you agree to renew this contract, please sign and return a copy of this amendment to our office by no later than **December 12, 2011**. Our fax number is (602) 364-3790.

If you have questions, please feel free to contact Sharon Yarbrough, Senior Procurement Specialist responsible for this contract at (602) 542-1172.

If Bonding and Insurance are a requirement of this contract, you must also submit, with this amendment, the current bonds and insurance certificates. Our records indicate that your General Liability is current through September 11, 2012; Automobile Liability is current through June 16, 2012; Workers Compensation is current through January 1, 2013 and E & O is current through November 20, 2012.

PLEASE INDICATE BELOW, WHETHER YOU WILL OR WILL NOT BE ABLE TO RENEW CONTRACT NO. 080148DC.

☒ WE WILL RENEW THIS CONTRACT THROUGH May 31, 2013.

☐ WE WILL NOT BE ABLE TO RENEW THIS CONTRACT BEYOND PRESENT TERM.

ALL OTHER PROVISIONS OF THE CONTRACT SHALL REMAIN IN THEIR ENTIRETY.

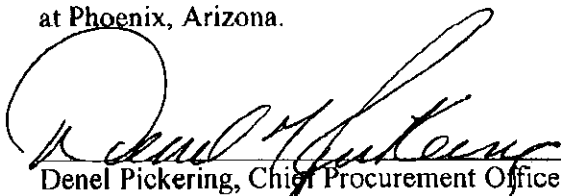
Vendor hereby acknowledges receipt and understanding of above amendment.

 12-5-11
Signature Date

BETH SOBOTKA, MANAGING
Typed Name and Title PARTNER

DP/sy

The above referenced Contract Amendment is hereby executed this 1st Day of December, 2011 at Phoenix, Arizona.


Denel Pickering, Chief Procurement Officer

CONTRACT AMENDMENT

ARIZONA
DEPARTMENT OF CORRECTIONS
PROCUREMENT SERVICES
1601 W. JEFFERSON, M/C 55302
PHOENIX, ARIZONA 85007

CONTRACT NO. 080148DC

AMENDMENT NO. 3

CONTACT: CHRISTINA JIMENEZ

A copy of this amendment must be received by the Department of Corrections.
This Contract is amended as follows:

December 10, 2010

Beth Sobotka, Managing Partner
Pragmatica, LLC
425 West Ray Road
Gilbert, Arizona 85233

Re: Contract No. 080148DC – Justice Web Interface Application Maintenance and Service

Dear Mrs. Sobotka:

Pursuant to the provisions of the above Contract referenced, under Special Terms and Conditions, Paragraph 1.2, please be advised that this office is hereby exercising the option to renew this contract, at the discounts/prices quoted, for an additional twelve (12) months.

If you agree to renew this contract, please sign and return a copy of this amendment to our office by no later than **December 22, 2010**. Our fax number is (602) 364-3790.

If you have questions, please feel free to contact Christina Jimenez, Senior Procurement Specialist responsible for this contract at (602) 542-1172.

If Bonding and Insurance are a requirement of this contract, you must also submit, with this amendment, the current bonds and insurance certificates. Our records indicate that your General Liability Insurance expired 9/11/10, your Automobile Liability expires December 12, 2010, and your Professional Liability expired 9/11/2010.

PLEASE INDICATE BELOW, WHETHER YOU WILL OR WILL NOT BE ABLE TO RENEW CONTRACT NO. 080148DC.

☒ WE WILL RENEW THIS CONTRACT THROUGH May 31, 2012.

☐ WE WILL NOT BE ABLE TO RENEW THIS CONTRACT BEYOND PRESENT TERM.

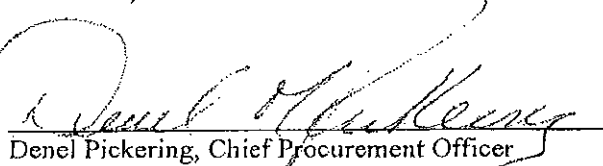
ALL OTHER PROVISIONS OF THE CONTRACT SHALL REMAIN IN THEIR ENTIRETY.

Vendor hereby acknowledges receipt and understanding of above amendment.

 12-20-2010
Signature Date

BETH SOBOTKA, MANAGING PARTNER
Typed Name and Title

The above referenced Contract Amendment is hereby executed this 10th Day of December 2010, at Phoenix, Arizona.


Denel Pickering, Chief Procurement Officer

CONTRACT AMENDMENT

ARIZONA
DEPARTMENT OF CORRECTIONS
PROCUREMENT SERVICES
1601 W. JEFFERSON, M/C 55302
PHOENIX, ARIZONA 85007
(602) 542-1172

CONTRACT NO. 080148DC

AMENDMENT NO. 2

CONTACT: CHRISTINA JIMENEZ

A SIGNED COPY OF THIS AMENDMENT MUST BE RECEIVED BY THE DEPARTMENT OF CORRECTIONS.

THIS CONTRACT IS AMENDED AS FOLLOWS:

Beth Sobotka, Managing Partner
Pragmatica, LLC
425 West Ray Road
Gilbert, Arizona 85233

Justice Web Interface Application Maintenance and Service

PAGE 1 OF 3

This contract is hereby amended as follows:

- 1) Pursuant to the Special Terms and Conditions, Paragraph 1.12 – Insurance, the above Contract has been amended effective immediately to read the following:

1.12.4 Commercial General Liability – Occurrence Form

Policy shall include bodily injury, property damage, personal injury and broad form contractual liability coverage.

1.12.4.1	General Aggregate	\$1,000,000
1.12.4.2	Products – Completed Operations Aggregate	\$ 500,000
1.12.4.3	Personal and Advertising Injury	\$ 500,000
1.12.4.4	Blanket Contractual Liability – Written and Oral	\$ 500,000
1.12.4.5	Fire Legal Liability	\$ 25,000
1.12.4.6	Each Occurrence	\$ 500,000

- 1.12.4.7 The policy shall be endorsed to include the following additional insured language: **“The State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees shall be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor”.**

- 1.12.4.8 Policy shall contain a waiver of subrogation against the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

CONTRACT AMENDMENT

ARIZONA
DEPARTMENT OF CORRECTIONS
PROCUREMENT SERVICES
1601 W. JEFFERSON, M/C 55302
PHOENIX, ARIZONA 85007
(602) 542-1172

CONTRACT NO. 080148DC

AMENDMENT NO. 2

CONTACT: CHRISTINA JIMENEZ

A SIGNED COPY OF THIS AMENDMENT MUST BE RECEIVED BY THE DEPARTMENT OF CORRECTIONS.

THIS CONTRACT IS AMENDED AS FOLLOWS:

PAGE 2 OF 3

1.12.5 Business Automobile Liability

Bodily Injury and Property Damage for any owned, hired, and/or non-owned vehicles used in the performance of this Contract.

1.12.5.1 Combined Single Limit (CSL) \$500,000

1.12.5.2 The policy shall be endorsed to include the following additional insured language: **"The State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees shall be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor, involving automobiles owned, leased, hired or borrowed by the Contractor"**.

1.12.5.3 Policy shall contain a waiver of subrogation against the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

1.12.6 Worker's Compensation and Employers' Liability

1.12.6.1 Workers' Compensation Statutory

1.12.6.2 Employers' Liability;

1.12.6.2.1 Each Accident \$100,000

1.12.6.2.2 Disease – Each Employee \$100,000

1.12.6.2.3 Disease – Policy Limit \$100,000

1.12.6.3 Policy shall contain a waiver of subrogation against the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

CONTRACT AMENDMENT

ARIZONA
DEPARTMENT OF CORRECTIONS
PROCUREMENT SERVICES
1601 W. JEFFERSON, M/C 55302
PHOENIX, ARIZONA 85007
(602) 542-1172

CONTRACT NO. 080148DC

AMENDMENT NO. 2

CONTACT: CHRISTINA JIMENEZ

A SIGNED COPY OF THIS AMENDMENT MUST BE RECEIVED BY THE DEPARTMENT OF CORRECTIONS.

THIS CONTRACT IS AMENDED AS FOLLOWS:

PAGE 3 OF 3

1.12.6.4 This requirement shall not apply to: Separately, EACH contractor or subcontractor exempt under A.R.S. 23-901, AND when such contractor or subcontractor executes the appropriate waiver (Sole Proprietor/Independent Contractor) form.

1.12.7 Professional Liability (Errors and Omissions Liability)

1.12.7.1 Each Claim \$ 500,000

1.12.7.2 Annual Aggregate \$1,000,000

1.12.7.3 In the event that the professional liability insurance required by this Contract is written on a claims-made basis, Contractor warrants that any retroactive date under the policy shall precede the effective date of this Contract; and that either continuous coverage will be maintained or an extended discovery period will be exercised for a period of two (2) years beginning at the time work under this Contract is completed.

1.12.7.4. The policy shall cover professional misconduct or lack of ordinary skill for those positions defined in the Scope of Work of this contract.

ALL OTHER PROVISIONS OF THE CONTRACT SHALL REMAIN IN THEIR ENTIRETY.

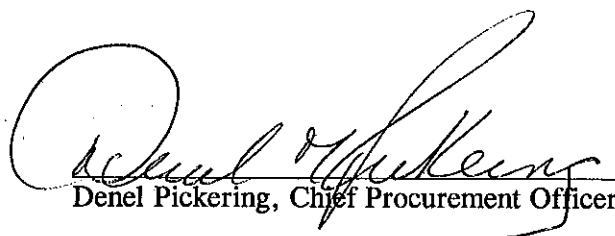
Vendor hereby acknowledges receipt and understanding of above amendment.

The above referenced Contract Amendment is hereby executed this 1ST Day of April 2010, at Phoenix, Arizona.

 46-10
Signature Date

BETH SOBOTKA, MANAGING PARTNER
Typed Name and Title

PRAGMATICA, LLC
Name of Company


Denel Pickering, Chief Procurement Officer

CONTRACT AMENDMENT

ARIZONA
DEPARTMENT OF CORRECTIONS
PROCUREMENT SERVICES
1601 W. JEFFERSON, M/C 55302
PHOENIX, ARIZONA 85007

CONTRACT NO. 080148DC

AMENDMENT NO. 1

CONTACT: CHRISTINA JIMENEZ

A copy of this amendment must be received by the Department of Corrections.
This Contract is amended as follows:

April 1, 2010

Beth Sobotka, Managing Partner
Pragmatica, LLC
425 West Ray Road
Gilbert, Arizona 85233

Re: Contract No. 080148DC – Justice Web Interface Application Maintenance and Service

Dear Mrs. Sobotka:

Pursuant to the provisions of the above Contract referenced, under Special Terms and Conditions, Paragraph 1.2, please be advised that this office is hereby exercising the option to renew this contract, at the discounts/prices quoted, for an additional twelve (12) months.

If you agree to renew this contract, please sign and return a copy of this amendment to our office by no later than **April 15, 2010**. Our fax number is (602) 364-3790.

If you have questions, please feel free to contact Christina Jimenez, Senior Procurement Specialist responsible for this contract at (602) 542-1172.

If Bonding and Insurance are a requirement of this contract, you must also submit, with this amendment, current bonds and insurance. Our records indicate that your insurance is current, with the exception of your Professional Liability, which expired September 2009.

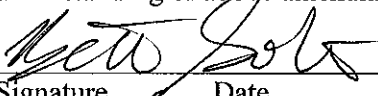
PLEASE INDICATE BELOW, WHETHER YOU WILL OR WILL NOT BE ABLE TO RENEW CONTRACT NO. 080148DC.

☒ WE WILL RENEW THIS CONTRACT THROUGH May 31, 2011.

☐ WE WILL NOT BE ABLE TO RENEW THIS CONTRACT BEYOND PRESENT TERM.

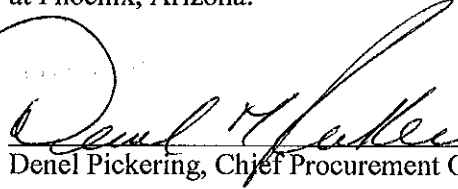
ALL OTHER PROVISIONS OF THE CONTRACT SHALL REMAIN IN THEIR ENTIRETY.

Vendor hereby acknowledges receipt and understanding of above amendment.

 4-6-10
Signature Date

BETH SOBOTKA - MANAGING PARTNER
Typed Name and Title

The above referenced Contract Amendment is hereby executed this 1st Day of April 2010, at Phoenix, Arizona.


Denel Pickering, Chief Procurement Officer

OFFER AND ACCEPTANCE

Arizona Department of Corrections

SOLICITATION NO. 080148DC

OFFER

Submit this form with an original signature to the Arizona Department of Corrections, 1601 West Jefferson Street, M/C 55302, Phoenix, AZ 85007-3002.

The Undersigned hereby Offers and agrees to furnish the material, service or construction in compliance with all terms, conditions, specifications and amendments in the Solicitation.

In accordance with A.R.S §35-391 and A.R.S §35-393, the offeror hereby certifies that the offeror does not have scrutinized business in Sudan and Iran.

Arizona Transaction (Sales) Privilege

For clarification of this Offer contact:

Tax License No.: N/A
Federal Employer Identification

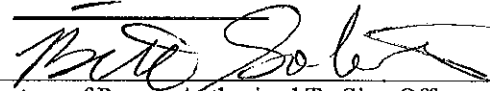
Name: BETH SOBOTKA

Phone: 480-235-5375

Fax: _____

No.: 86 104 4793

PRAGMATICA LLC
Company Name


Signature of Person Authorized To Sign Offer

425 W RAY RD
Address

BETH SOBOTKA
Printed Name

GILBERT AZ 85233
City State Zip

MANAGING PARTNER
Title

OFFER ACCEPTANCE AND CONTRACT AWARD

(For State of Arizona use only)

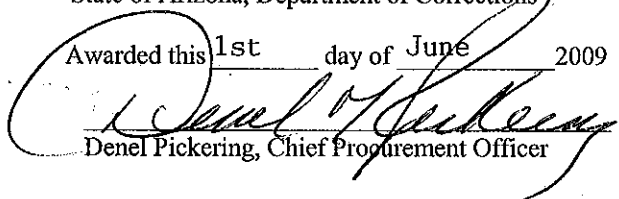
The offer is hereby accepted as described in the Notice of Award. The Contractor is now bound to perform base upon the solicitation and the Contractor's offer as accepted by the State.

Justice Web Interface Application Maintenance and Service

This contract shall henceforth be referred to as Contract No. 080148DC. The Contractor is hereby cautioned not to commence any billable work or provide any material, service or construction under this contract until Contractor receives an executive purchase order or contract release document.

State of Arizona, Department of Corrections

Awarded this 1st day of June 2009


Denel Pickering, Chief Procurement Officer

STATE OF ARIZONA
Uniform Instructions To Offerors
Ver. 7.1 (Revised 1/8/2008)

1 **Definition of Terms.** As used in these Instructions, the terms listed below are defined as follows:

- 1.1 "*Attachment*" means any item the Solicitation requires an Offeror to submit as part of the Offer.
- 1.2 "*Contract*" means the combination of the Solicitation, including the Uniform and Special Instructions to Offerors, the Uniform and Special Terms and Conditions, and the Specifications and Statement of Scope of Work; the Offer and any Final Proposal Revisions; and any Solicitation Amendments or Contract Amendments; and any terms applied by law.
- 1.3 "*Contract Amendment*" means a written document signed by the Procurement Officer that is issued for the purpose of making changes in the Contract.
- 1.4 "*Contractor*" means any person who has a Contract with the State.
- 1.5 "*Days*" means calendar days unless otherwise specified.
- 1.6 "*Exhibit*" means any item labeled as an Exhibit in the Solicitation or placed in the Exhibits section of the Solicitation.
- 1.7 "*Offer*" means bid, proposal or quotation.
- 1.8 "*Offeror*" means a vendor who responds to a Solicitation.
- 1.9 "*Procurement Officer*" means the person, or his or her designee, duly authorized by the State to enter into and administer Contracts and make written determinations with respect to the Contract.
- 1.10 "*Solicitation*" means an Invitation for Bids ("IFB"), a Request for Proposals ("RFP"), or a Request for Quotations ("RFQ").
- 1.11 "*Solicitation Amendment*" means a written document that is signed by the Procurement Officer and issued for the purpose of making changes to the Solicitation.
- 1.12 "*Subcontract*" means any Contract, express or implied, between the Contractor and another party or between a subcontractor and another party delegating or assigning, in whole or in part, the making or furnishing of any material or any service required for the performance of the Contract.
- 1.13 "*State*" means the State of Arizona and Department or Agency of the State that executes the Contract.

2 **Inquiries**

- 2.1 **Duty to Examine.** It is the responsibility of each Offeror to examine the entire Solicitation, seek clarification in writing (inquiries), and examine its Offer for accuracy before submitting the Offer. Lack of care in preparing an Offer shall not be grounds for modifying or withdrawing the Offer after the Offer due date and time, nor shall it give rise to any Contract claim.
- 2.2 **Solicitation Contact Person.** Any inquiry related to a Solicitation, including any requests for or inquiries regarding standards referenced in the Solicitation, shall be directed solely to the Solicitation contact person. The Offeror shall not contact or direct inquiries concerning this Solicitation to any other State employee unless the Solicitation specifically identifies a person other than the Solicitation contact person as a contact.
- 2.3 **Submission of Inquiries.** The Procurement Officer or the person identified in the Solicitation as the contact for inquiries, except at the Pre-Offer Conference, may require that an inquiry be submitted in writing. Any inquiry related to a Solicitation shall refer to the appropriate Solicitation number, page and paragraph. Do not place the Solicitation number on the outside of the envelope containing that inquiry, since it may then be identified as an Offer and not be opened until after the Offer due date and time. The State shall consider the relevancy of the inquiry but is not required to respond in writing.
- 2.4 **Timeliness.** Any inquiry or exception to the Solicitation shall be submitted as soon as possible and should be submitted at least seven days before the Offer due date and time for review and determination by the State. Failure to do so may result in the inquiry not being considered for a Solicitation Amendment.
- 2.5 **No Right to Rely on Verbal Responses.** An Offeror shall not rely on verbal responses to inquiries. A verbal reply to an inquiry does not constitute a modification of the Solicitation.
- 2.6 **Solicitation Amendments.** The Solicitation shall only be modified by a Solicitation Amendment.

STATE OF ARIZONA
Uniform Instructions To Offerors
Ver. 7.1 (Revised 1/8/2008)

- 2.7 Pre-Offer Conference. If a Pre-Offer conference has been scheduled under this Solicitation, the date, time and location shall appear on the Solicitation cover sheet or elsewhere in the Solicitation. Offerors should raise any questions about the Solicitation or the procurement at that time. An Offeror may not rely on any verbal responses to questions at the conference. Material issues raised at the conference that result in changes to the Solicitation shall be answered solely through a written Solicitation Amendment.
- 2.8 Persons With Disabilities. Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting the Solicitation contact person. Requests shall be made as early as possible to allow time to arrange the accommodation.

3

Offer Preparation

- 3.1 Forms: No Facsimile, Telegraphic or Electronic Mail Offers. An Offer shall be submitted either on the forms provided in this Solicitation or their substantial equivalent. Any Substitute document for the forms provided in this Solicitation must be legible and contain the same information requested on the forms, unless the Solicitation indicates otherwise. A facsimile, telegraphic, mailgram or electronic mail Offer shall be rejected if submitted in response to requests for proposals or invitations for bid.
- 3.2 Typed or Ink; Corrections. The Offer shall be typed or in ink. Erasures, interlineations or other modifications in the Offer shall be initialed in ink by the person signing the Offer. Modifications shall not be permitted after Offers have been opened except as otherwise provided under applicable law.
- 3.3 Evidence of Intent to be Bound. The Offer and Acceptance form within the Solicitation shall be submitted with the Offer and shall include a signature (or acknowledgment for electronic submissions, when authorized) by a person authorized to sign the Offer. The signature shall signify the Offeror's intent to be bound by the Offer and the terms of the Solicitation and that the information provided is true, accurate and complete. Failure to submit verifiable evidence of an intent to be bound, such as an original signature, shall result in rejection of the Offer.
- 3.4 Exceptions to Terms and Conditions. All exceptions included with the Offer shall be submitted in a clearly identified separate section of the Offer in which the Offeror clearly identifies the specific paragraphs of the Solicitation where the exceptions occur. Any exceptions not included in such a section shall be without force and effect in any resulting Contract unless such exception is specifically accepted by the Procurement Officer in a written statement. The Offeror's preprinted or standard terms will not be considered by the State as a part of any resulting Contract.
- 3.4.2 Invitation for Bids: An Offer that takes exception to a material requirement of any part of the Solicitation, including terms and conditions, shall be rejected.
- 3.4.3 Request for Proposals: All exceptions that are contained in the Offer may negatively affect the State's proposal evaluation based on the evaluation criteria as stated in the Solicitation or result in rejection of the Offer. An Offer that takes exception to any material requirement of the Solicitation may be rejected.
- 3.5 Subcontracts. Offerors shall clearly list any proposed subcontractors and the subcontractor's proposed responsibilities in the Offer.
- 3.6 Cost of Offer Preparation. The State will not reimburse any Offeror the cost of responding to a Solicitation.
- 3.7 Solicitation Amendments. Each Solicitation Amendment shall be signed with an original signature by the person signing the Offer, and shall be submitted no later than the Offer due date and time. Failure to return a signed (or acknowledgment for electronic submission, when authorized) copy of a Solicitation Amendment may result in rejection of the Offer.
- 3.8 Federal Excise Tax. The State of Arizona is exempt from certain Federal Excise Tax on manufactured goods. Exemption Certificates will be provided by the State.

STATE OF ARIZONA
Uniform Instructions To Offerors

Ver. 7.1 (Revised 1/8/2008)

- 3.9 Provision of Tax Identification Numbers. Offerors are required to provide their Arizona Transaction Privilege Tax Number and/or Federal Tax Identification number in the space provided on the Offer and Acceptance form.
- 3.10 Employee Identification. Offeror agrees to provide an employee identification number or social security number to the State for the purposes of reporting to appropriate taxing authorities, monies paid by the State under this Contract. If the Federal identifier of the Offeror is a social security number, this number is being requested solely for tax reporting purposes and will be shared only with appropriate State and Federal officials. This submission is mandatory under 26 U.S.C. §6041A.
- 3.11 Identification of Taxes in Offer. The State of Arizona is subject to all applicable State and local transaction privilege taxes. All applicable taxes shall be identified as a separate item offered in the Solicitation when applicable, the tax rate and amount shall be identified on the price sheet. At all times, payment of taxes and the determination of applicable taxes are the sole responsibility of the Contractor.
- 3.12 Disclosure. If the firm, business or person submitting this Offer has been debarred, suspended or otherwise lawfully precluded from participating in any public procurement activity, including being disapproved as a subcontractor with any Federal, State or local government, or if any such preclusion from participation from any public procurement activity is currently pending, the Offeror shall fully explain the circumstances relating to the preclusion or proposed preclusion in the Offer. The Offeror shall include a letter with its Offer setting forth the name and address of the governmental unit, the effective date of this suspension or debarment, the duration of the suspension or debarment, and the relevant circumstances relating to the suspension or debarment. If suspension or debarment is currently pending, a detailed description of all relevant circumstances including the details enumerated above shall be provided.
- 3.13 Solicitation Order of Precedence. In the event of a conflict in the provisions of this Solicitation, the following shall prevail in the order set forth below:
- 3.13.1 Special Terms and Conditions;
 - 3.13.2 Uniform Terms and Conditions;
 - 3.13.3 Statement or Scope of Work;
 - 3.13.4 Specifications;
 - 3.13.5 Attachments;
 - 3.13.6 Exhibits;
 - 3.13.7 Special Instructions to Offerors;
 - 3.13.8 Uniform Instructions to Offerors.
 - 3.13.9 Other documents referenced or included in the Solicitation.
- 3.14 Delivery. Unless stated otherwise in the Solicitation, all prices shall be F.O.B. Destination and shall include all freight, delivery and unloading at the destination(s).
- 3.15 Offshore Performance of Work Prohibited. Due to security and identity protection concerns, direct services under this contract shall be performed within the borders of the United States. Any services that are described in the specifications or scope of work that directly serve the State of Arizona or its clients and may involve access to secure or sensitive data or personal client data or development or modification of software for the State shall be performed within the borders of the United States. Unless specifically stated otherwise in the specifications, this definition does not apply to indirect or "overhead" services, redundant back-up services or services that are incidental to the performance of the contract. This provision applies to work performed by subcontractors at all tiers. Offerors shall declare all anticipated offshore services in the proposal.
- 3.16 Electronic and Information Technology. Any electronic or information technology offered to the State of Arizona under this solicitation shall comply with A.R.S. §41-2531 and §41-2532 and Section 508 of the Rehabilitation Act of 1973, which requires that employees and members of the public shall have access to and use of information technology that is comparable to the access and use by employees and members of the public who are not individuals with disabilities. If the offeror believes that compliance with this requirement poses an Undue Burden, the offeror shall notify the procurement officer in writing at least five days before the offer due date and time.

STATE OF ARIZONA
Uniform Instructions To Offerors
Ver. 7.1 (Revised 1/8/2008)

4 Submission of Offer

- 4.1 Sealed Envelope or Package. Except for electronic submissions, when authorized, each Offer shall be submitted to the submittal location identified in this Solicitation. Offers should be submitted in a sealed envelope or container. The envelope or container should be clearly identified with name of the Offeror and Solicitation number. The State may open envelopes or containers to identify contents if the envelope or container is not clearly identified.
- 4.2 Offer Amendment or Withdrawal. An Offer may not be amended or withdrawn after the Offer due date and time except as otherwise provided under applicable law.
- 4.3 Public Record. All Offers submitted and opened are public records and must be retained by the State. Offers shall be open to public inspection after Contract award, except for such Offers deemed to be confidential by the State. If an Offeror believes that information in its Offer should remain confidential, it shall indicate as confidential the specific information and submit a statement with its Offer detailing the reasons that the information should not be disclosed. Such reasons shall include the specific harm or prejudice which may arise. The State shall determine whether the identified information is confidential pursuant to the Arizona Procurement Code.
- 4.4 Non-Collusion, Employment, and Services. By signing the Offer and Acceptance form or other official Contract form, the Offeror certifies that:
- 4.4.1 The Offeror did not engage in collusion or other anti-competitive practices in connection with the preparation or submission of its Offer; and
- 4.4.2 The Offeror does not discriminate against any employee or applicant for employment or person to whom it provides services because of race, color, religion, sex, national origin, or disability, and that it complies with all applicable Federal, State and local laws and executive orders regarding employment.

5 Evaluation

- 5.1 Unit Price Prevails. In case of discrepancy between the unit price or rate and the extension of that unit price or rate, the unit price or rate shall govern.
- 5.2 Prompt Payment Discount. Prompt payment discounts of thirty (30) days or more set forth in an Offer shall be deducted from the Offer for the purposes of evaluating that price.
- 5.3 Taxes. Arizona transaction privilege and use taxes shall not be considered for evaluation.
- 5.4 Late Offers. An Offer submitted after the exact Offer due date and time shall be rejected.
- 5.5 Disqualification. An Offeror (including any of its principals) who is currently debarred, suspended or otherwise lawfully prohibited from any public procurement activity shall have its Offer rejected.
- 5.6 Offer Acceptance Period. An Offeror submitting an Offer under this Solicitation shall hold its Offer open for the number of days from the Offer due date that is stated in the Solicitation. If the Solicitation does not specifically state a number of days for Offer acceptance, the number of days shall be one hundred-twenty (120). If a Final Proposal Revision is requested pursuant to a Request for Proposals, an Offeror shall hold its Offer open for one hundred-twenty (120) days from the Final Proposal Revision due date.
- 5.7 Waiver and Rejection Rights. Notwithstanding any other provision of the Solicitation, the State reserves the right to:
- 5.7.1 Waive any minor informality;
- 5.7.2 Reject any and all Offers or portions thereof; or
- 5.7.3 Cancel a Solicitation.

STATE OF ARIZONA
Uniform Instructions To Offerors
Ver. 7.1 (Revised 1/8/2008)

6

Award

- 6.1 Number or Types of Awards. The State reserves the right to make multiple awards or to award a Contract by individual line items or alternatives, by group of line items or alternatives, or to make an aggregate award, or regional awards, whichever is most advantageous to the State. If the Procurement Officer determines that an aggregate award to one Offeror is not in the State's best interest, all or none Offers shall be rejected.
- 6.2 Contract Inception. An Offer does not constitute a Contract nor does it confer any rights on the Offeror to the award of a Contract. A Contract is not created until the Offer is accepted in writing by the Procurement Officer's signature on the Offer and Acceptance form. A notice of award or of the intent to award shall not constitute acceptance of the Offer.
- 6.3 Effective Date. The effective date of this Contract shall be the date that the Procurement Officer signs the Offer and Acceptance form or other official Contract form, unless another date is specifically stated in the Contract.

7

Protests. A protest shall comply with and be resolved according to Arizona Revised Statutes Title 41, Chapter 23, Article 9 and rules adopted thereunder. Protests shall be in writing and be filed with both the Procurement Officer of the purchasing agency and with the State Procurement Administrator. A protest of a Solicitation shall be received by the Procurement Officer before the Offer due date. A protest of a proposed award or of an award shall be filed within ten (10) days after the protester knows or should have known the basis of the protest. A protest shall include:

- 7.1 The name, address and telephone number of the protester;
- 7.2 The signature of the protester or its representative;
- 7.3 Identification of the purchasing agency and the Solicitation or Contract number;
- 7.4 A detailed statement of the legal and factual grounds of the protest including copies of relevant documents; and
- 7.5 The form of relief requested.

8

Comments Welcome. The State Procurement Office periodically reviews the Uniform Instructions to Offerors and welcomes any comments you may have. Please submit your comments to: State Procurement Administrator, State Procurement Office, 100 North 15th Avenue, Suite 104, Phoenix, Arizona 85007.

STATE OF ARIZONA
Uniform Terms and Conditions
Ver. 7.0 (Revised 1/8/2008 sf)

- 1 **Definition of Terms.** As used in this Solicitation and any resulting Contract, the terms listed below are defined as follows:
- 1.1 "**Attachment**" means any item the Solicitation requires the Offeror to submit as part of the Offer.
 - 1.2 "**Contract**" means the combination of the Solicitation, including the Uniform and Special Instructions to Offerors, the Uniform and Special Terms and Conditions, and the Specifications and Statement or Scope of Work; the Offer and any Final Proposal Revisions; and any Solicitation Amendments or Contract Amendments.
 - 1.3 "**Contract Amendment**" means a written document signed by the Procurement Officer that is issued for the purpose of making changes in the Contract.
 - 1.4 "**Contractor**" means any person who has a Contract with the State.
 - 1.5 "**Days**" means calendar days unless otherwise specified.
 - 1.6 "**Exhibit**" means any item labeled as an Exhibit in the Solicitation or placed in the Exhibits section of the Solicitation.
 - 1.7 "**Gratuity**" means a payment, loan, subscription, advance, deposit of money, services, or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value is received.
 - 1.8 "**Materials**" means all property, including equipment, supplies, printing, insurance and leases of property but does not include land, a permanent interest in land or real property or leasing space.
 - 1.9 "**Procurement Officer**" means the person, or his or her designee, duly authorized by the State to enter into and administer Contracts and make written determinations with respect to the Contract.
 - 1.10 "**Services**" means the furnishing of labor, time or effort by a Contractor or subcontractor which does not involve the delivery of a specific end product other than required reports and performance, but does not include employment agreements or collective bargaining agreements.
 - 1.11 "**Subcontract**" means any Contract, express or implied, between the Contractor and another party or between a subcontractor and another party delegating or assigning, in whole or in part, the making or furnishing of any material or any service required for the performance of the Contract.
 - 1.12 "**State**" means the State of Arizona and Department or Agency of the State that executes the Contract.
 - 1.13 "**State Fiscal Year**" means the period beginning with July 1 and ending June 30.

2 **Contract Interpretation**

- 2.1 **Arizona Law.** The Arizona law applies to this Contract including, where applicable, the Uniform Commercial Code as adopted by the State of Arizona and the Arizona Procurement Code, Arizona Revised Statutes (A.R.S.) Title 41, Chapter 23, and its implementing rules, Arizona Administrative Code (A.A.C.) Title 2, Chapter 7.
- 2.2 **Implied Contract Terms.** Each provision of law and any terms required by law to be in this Contract are a part of this Contract as if fully stated in it.
- 2.3 **Contract Order of Precedence.** In the event of a conflict in the provisions of the Contract, as accepted by the State and as they may be amended, the following shall prevail in the order set forth below:
 - 2.3.1 Special Terms and Conditions;
 - 2.3.2 Uniform Terms and Conditions;
 - 2.3.3 Statement or Scope of Work;
 - 2.3.4 Specifications;
 - 2.3.5 Attachments;
 - 2.3.6 Exhibits;
 - 2.3.7 Documents referenced or included in the Solicitation.
- 2.4 **Relationship of Parties.** The Contractor under this Contract is an independent Contractor. Neither party to this Contract shall be deemed to be the employee or agent of the other party to the Contract.
- 2.5 **Severability.** The provisions of this Contract are severable. Any term or condition deemed illegal or invalid shall not affect any other term or condition of the Contract.

STATE OF ARIZONA
Uniform Terms and Conditions

Ver. 7.0 (Revised 1/8/2008 sf)

- 2.6 No Parole Evidence. This Contract is intended by the parties as a final and complete expression of their agreement. No course of prior dealings between the parties and no usage of the trade shall supplement or explain any terms used in this document and no other understanding either oral or in writing shall be binding.
- 2.7 No Waiver. Either party's failure to insist on strict performance of any term or condition of the Contract shall not be deemed a waiver of that term or condition even if the party accepting or acquiescing in the nonconforming performance knows of the nature of the performance and fails to object to it.
- 2.8 Offshore Performance of Work Prohibited. Due to security and identity protection concerns, direct services under this contract shall be performed within the borders of the United States. Any services that are described in the specifications or scope of work that directly serve the State of Arizona or its clients and may involve access to secure or sensitive data or personal client data or development or modification of software for the State shall be performed within the borders of the United States. Unless specifically stated otherwise in the specifications, this definition does not apply to indirect or "overhead" services, redundant back-up services or services that are incidental to the performance of the contract. This provision applies to work performed by subcontractors at all tiers.

3

Contract Administration and Operation

- 3.1 Records. Under A.R.S. § 35-214 and § 35-215, the Contractor shall retain and shall contractually require each subcontractor to retain all data and other "records" relating to the acquisition and performance of the Contract for a period of five (5) years after the completion of the Contract. All records shall be subject to inspection and audit by the State at reasonable times. Upon request, the Contractor shall produce a legible copy of any or all such records.
- 3.2 Non-Discrimination. The Contractor shall comply with State Executive Order No. 99-4 and all other applicable Federal and State laws, rules and regulations, including the Americans with Disabilities Act.
- 3.3 Audit. Pursuant to A.R.S. § 35-214, at any time during the term of this Contract and five (5) years thereafter, the Contractor's or any subcontractor's books and records shall be subject to audit by the State and, where applicable, the Federal Government, to the extent that the books and records relate to the performance of the Contract or Subcontract.
- 3.4 Facilities Inspection and Materials Testing. The Contractor agrees to permit access to its facilities, subcontractor facilities and the Contractor's processes or services, at reasonable times for inspection of the facilities or materials covered under this Contract. The State shall also have the right to test, at its own cost, the materials to be supplied under this Contract. Neither inspection at the Contractor's facilities nor materials testing shall constitute final acceptance of the materials or services. If the State determines non-compliance of the materials, the Contractor shall be responsible for the payment of all costs incurred by the State for testing and inspection.
- 3.5 Notices. Notices to the Contractor required by this Contract shall be made by the State to the person indicated on the Offer and Acceptance form submitted by the Contractor unless otherwise stated in the Contract. Notices to the State required by the Contract shall be made by the Contractor to the Solicitation Contact Person indicated on the Solicitation cover sheet, unless otherwise stated in the Contract. An authorized Procurement Officer and an authorized Contractor representative may change their respective person to whom notice shall be given by written notice to the other and an amendment to the Contract shall not be necessary.
- 3.6 Advertising, Publishing and Promotion of Contract. The Contractor shall not use, advertise or promote information for commercial benefit concerning this Contract without the prior written approval of the Procurement Officer.
- 3.7 Property of the State. Any materials, including reports, computer programs and other deliverables, created under this Contract are the sole property of the State. The Contractor is not entitled to a patent or copyright on those materials and may not transfer the patent or copyright to anyone else. The Contractor shall not use or release these materials without the prior written consent of the State.
- 3.8 Ownership of Intellectual Property. Any and all intellectual property, including but not limited to copyright, invention, trademark, tradename, service mark, and/or trade secrets created or conceived pursuant to or as a result of

STATE OF ARIZONA

Uniform Terms and Conditions

Ver. 7.0 (Revised 1/8/2008 sf)

this Contract and any related subcontract ("Intellectual Property"), shall be work made for hire and the State shall be considered the creator of such Intellectual Property. The agency, department, division, board or commission of the State of Arizona requesting the issuance of this Contract shall own (for and on behalf of the State) the entire right, title and interest to the Intellectual Property throughout the world. Contractor shall notify the State, within thirty (30) days, of the creation of any Intellectual Property by it or its subcontractor(s). Contractor, on behalf of itself and any subcontractor(s), agrees to execute any and all document(s) necessary to assure ownership of the Intellectual Property vests in the State and shall take no affirmative actions that might have the effect of vesting all or part of the Intellectual Property in any entity other than the State. The Intellectual Property shall not be disclosed by the Contractor or its subcontractor(s) to any entity not the State without the express written authorization of the agency, department, division, board or commission of the State of Arizona requesting the issuance of this Contract.

- 3.9 Electronic and Information Technology. Unless specifically authorized in the Contract, any electronic or information technology offered to the State of Arizona under this Contract shall comply with A.R.S. §41-2531 and §41-2532 and Section 508 of the Rehabilitation Act of 1973, which requires that employees and members of the public shall have access to and use of information technology that is comparable to the access and use by employees and members of the public who are not individuals with disabilities.

4

Costs and Payments

- 4.1 Payments. Payments shall comply with the requirements of A.R.S. Titles 35 and 41, Net 30 days. Upon receipt and acceptance of goods or services, the Contractor shall submit a complete and accurate invoice for payment from the State within thirty (30) days.
- 4.2 Delivery. Unless stated otherwise in the Contract, all prices shall be F.O.B. Destination and shall include all freight delivery and unloading at the destination.
- 4.3 Applicable Taxes.
- 4.3.1 Payment of Taxes. The Contractor shall be responsible for paying all applicable taxes.
- 4.3.2 State and Local Transaction Privilege Taxes. The State of Arizona is subject to all applicable State and local transaction privilege taxes. Transaction privilege taxes apply to the sale and are the responsibility of the seller to remit. Failure to collect taxes from the buyer does not relieve the seller from its obligation to remit taxes.
- 4.3.3 Tax Indemnification. Contractor and all subcontractors shall pay all Federal, State and local taxes applicable to its operation and any persons employed by the Contractor. Contractor shall, and require all subcontractors to hold the State harmless from any responsibility for taxes, damages and interest, if applicable, contributions required under Federal, and/or State and local laws and regulations and any other costs including transaction privilege taxes, unemployment compensation insurance, social security and worker's compensation.
- 4.3.4 I.R.S. W9 Form. In order to receive payment, the Contractor shall have a current I.R.S. W9 Form on file with the State of Arizona, unless not required by law.
- 4.4 Availability of Funds for the Next State Fiscal Year. Funds may not presently be available for performance under this Contract beyond the current State fiscal year. No legal liability on the part of the State for any payment may arise under this Contract beyond the current State fiscal year until funds are made available for performance of this Contract.
- 4.5 Availability of Funds for the Current State Fiscal Year. Should the State Legislature enter back into session and reduce the appropriations or for any reason and these goods or services are not funded, the State may take any of the following actions:
- 4.5.1 Accept a decrease in price offered by the Contractor;
- 4.5.2 Cancel the Contract;

STATE OF ARIZONA
Uniform Terms and Conditions

Ver. 7.0 (Revised 1/8/2008 sf)

4.5.3 Cancel the Contract and re-solicit the requirements.

5 Contract Changes

- 5.1 Amendments. This Contract is issued under the authority of the Procurement Officer who signed this Contract. The Contract may be modified only through a Contract Amendment within the scope of the Contract. Changes to the Contract, including the addition of work or materials, the revision of payment terms, or the substitution of work or materials, directed by a person who is not specifically authorized by the procurement officer in writing or made unilaterally by the Contractor are violations of the Contract and of applicable law. Such changes, including unauthorized written Contract Amendments shall be void and without effect, and the Contractor shall not be entitled to any claim under this Contract based on those changes.
- 5.2 Subcontracts. The Contractor shall not enter into any subcontract under this Contract for the performance of this Contract without the advance written approval of the Procurement Officer. The Contractor shall clearly list any proposed subcontractors and the subcontractor's proposed responsibilities. The subcontract shall incorporate by reference the terms and conditions of this Contract.
- 5.3 Assignment and Delegation. The Contractor shall not assign any right nor delegate any duty under this Contract without the prior written approval of the Procurement Officer. The State shall not unreasonably withhold approval.

6 Risk and Liability

- 6.1 Risk of Loss. The Contractor shall bear all loss of conforming material covered under this Contract until received by authorized personnel at the location designated in the purchase order or Contract. Mere receipt does not constitute final acceptance. The risk of loss for nonconforming materials shall remain with the Contractor regardless of receipt.
- 6.2 Indemnification.
- 6.2.1 Contractor/Vendor Indemnification (Not Public Agency). The parties to this Contract agree that the State of Arizona, its departments, agencies, boards and commissions shall be indemnified and held harmless by the Contractor for the vicarious liability of the State as a result of entering into this Contract. However, the parties further agree that the State of Arizona, its departments, agencies, boards and commissions shall be responsible for its own negligence. Each party to this Contract is responsible for its own negligence.
- 6.2.2 Public Agency Language Only. Each party (as 'indemnitor') agrees to indemnify, defend, and hold harmless the other party (as 'indemnitee') from and against any and all claims, losses, liability, costs, or expenses (including reasonable attorney's fees) (hereinafter collectively referred to as 'claims') arising out of bodily injury of any person (including death) or property damage but only to the extent that such claims which result in vicarious/derivative liability to the indemnitee, are caused by the act, omission, negligence, misconduct, or other fault of the indemnitor, its' officers, officials, agents, employees, or volunteers.
- 6.3 Indemnification - Patent and Copyright. The Contractor shall indemnify and hold harmless the State against any liability, including costs and expenses, for infringement of any patent, trademark or copyright arising out of Contract performance or use by the State of materials furnished or work performed under this Contract. The State shall reasonably notify the Contractor of any claim for which it may be liable under this paragraph. If the Contractor is insured pursuant to A.R.S. § 41-621 and § 35-154, this section shall not apply.
- 6.4 Force Majeure.
- 6.4.1 Except for payment of sums due, neither party shall be liable to the other nor deemed in default under this Contract if and to the extent that such party's performance of this Contract is prevented by reason of force majeure. The term "*force majeure*" means an occurrence that is beyond the control of the party affected and occurs without its fault or negligence. Without limiting the foregoing, force majeure includes acts of God; acts of the public enemy; war; riots; strikes; mobilization; labor disputes; civil disorders; fire; flood; lockouts; injunctions-intervention-acts; or failures or refusals to act by government authority; and other

STATE OF ARIZONA
Uniform Terms and Conditions

Ver. 7.0 (Revised 1/8/2008 sf)

similar occurrences beyond the control of the party declaring force majeure which such party is unable to prevent by exercising reasonable diligence.

6.4.2 Force Majeure shall not include the following occurrences:

6.4.2.1 Late delivery of equipment or materials caused by congestion at a manufacturer's plant or elsewhere, or an oversold condition of the market;

6.4.2.2 Late performance by a subcontractor unless the delay arises out of a force majeure occurrence in accordance with this force majeure term and condition; or

6.4.2.3 Inability of either the Contractor or any subcontractor to acquire or maintain any required insurance, bonds, licenses or permits.

6.4.3 If either party is delayed at any time in the progress of the work by force majeure, the delayed party shall notify the other party in writing of such delay, as soon as is practicable and no later than the following working day, of the commencement thereof and shall specify the causes of such delay in such notice. Such notice shall be delivered or mailed certified-return receipt and shall make a specific reference to this article, thereby invoking its provisions. The delayed party shall cause such delay to cease as soon as practicable and shall notify the other party in writing when it has done so. The time of completion shall be extended by Contract Amendment for a period of time equal to the time that results or effects of such delay prevent the delayed party from performing in accordance with this Contract.

6.4.4 Any delay or failure in performance by either party hereto shall not constitute default hereunder or give rise to any claim for damages or loss of anticipated profits if, and to the extent that such delay or failure is caused by force majeure.

6.5 Third Party Antitrust Violations. The Contractor assigns to the State any claim for overcharges resulting from antitrust violations to the extent that those violations concern materials or services supplied by third parties to the Contractor, toward fulfillment of this Contract.

7

Warranties

7.1 Liens. The Contractor warrants that the materials supplied under this Contract are free of liens and shall remain free of liens.

7.2 Quality. Unless otherwise modified elsewhere in these terms and conditions, the Contractor warrants that, for one (1) year after acceptance by the State of the materials, they shall be:

7.2.1 Of a quality to pass without objection in the trade under the Contract description;

7.2.2 Fit for the intended purposes for which the materials are used;

7.2.3 Within the variations permitted by the Contract and are of even kind, quantity, and quality within each unit and among all units;

7.2.4 Adequately contained, packaged and marked as the Contract may require; and

7.2.5 Conform to the written promises or affirmations of fact made by the Contractor.

7.3 Fitness. The Contractor warrants that any material supplied to the State shall fully conform to all requirements of the Contract and all representations of the Contractor, and shall be fit for all purposes and uses required by the Contract.

7.4 Inspection/Testing. The warranties set forth in subparagraphs 7.1 through 7.3 of this paragraph are not affected by inspection or testing of or payment for the materials by the State.

STATE OF ARIZONA

Uniform Terms and Conditions

Ver. 7.0 (Revised 1/8/2008 sf)

7.5 Year 2000

7.5.1 Notwithstanding any other warranty or disclaimer of warranty in this Contract, the Contractor warrants that all products delivered and all services rendered under this Contract shall comply in all respects to performance and delivery requirements of the specifications and shall not be adversely affected by any date-related data year 2000 issues. This warranty shall survive the expiration or termination of this Contract. In addition, the defense of *force majeure* shall not apply to the Contractor's failure to perform specification requirements as a result of any date-related data year 2000 issues.

7.5.2 Additionally, notwithstanding any other warranty or disclaimer of warranty in this Contract, the Contractor warrants that each hardware, software, and firmware product delivered under this Contract shall be able to accurately process date/time data (including but not limited to calculation, comparing, and sequencing) from, into, and between the twentieth and twenty-first centuries, and the years 1999 and 2000 and leap year calculations, to the extent that other information technology utilized by the State in combination with the information technology being acquired under this Contract properly exchanges date-time data with it. If this Contract requires that the information technology products being acquired perform as a system, or that the information technology products being acquired perform as a system in combination with other State information technology, then this warranty shall apply to the acquired products as a system. The remedies available to the State for breach of this warranty shall include, but shall not be limited to, repair and replacement of the information technology products delivered under this Contract. In addition, the defense of *force majeure* shall not apply to the failure of the Contractor to perform any specification requirements as a result of any date-related data year 2000 issues.

7.6 Compliance With Applicable Laws. The materials and services supplied under this Contract shall comply with all applicable Federal, State and local laws, and the Contractor shall maintain all applicable license and permit requirements.

7.7 Survival of Rights and Obligations after Contract Expiration or Termination.

7.7.1 Contractor's Representations and Warranties. All representations and warranties made by the Contractor under this Contract shall survive the expiration or termination hereof. In addition, the parties hereto acknowledge that pursuant to A.R.S. § 12-510, except as provided in A.R.S. § 12-529, the State is not subject to or barred by any limitations of actions prescribed in A.R.S., Title 12, Chapter 5.

7.7.2 Purchase Orders. The Contractor shall, in accordance with all terms and conditions of the Contract, fully perform and shall be obligated to comply with all purchase orders received by the Contractor prior to the expiration or termination hereof, unless otherwise directed in writing by the Procurement Officer, including, without limitation, all purchase orders received prior to but not fully performed and satisfied at the expiration or termination of this Contract

8

State's Contractual Remedies

8.1 Right to Assurance. If the State in good faith has reason to believe that the Contractor does not intend to, or is unable to perform or continue performing under this Contract, the Procurement Officer may demand in writing that the Contractor give a written assurance of intent to perform. Failure by the Contractor to provide written assurance within the number of days specified in the demand may, at the State's option, be the basis for terminating the Contract under the Uniform Terms and Conditions or other rights and remedies available by law or provided by the Contract.

STATE OF ARIZONA
Uniform Terms and Conditions
Ver. 7.0 (Revised 1/8/2008 sf)

8.2 Stop Work Order.

8.2.1 The State may, at any time, by written order to the Contractor, require the Contractor to stop all or any part, of the work called for by this Contract for a period(s) of days indicated by the State after the order is delivered to the Contractor. The order shall be specifically identified as a stop work order issued under this clause. Upon receipt of the order, the Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the order during the period of work stoppage.

8.2.2 If a stop work order issued under this clause is canceled or the period of the order or any extension expires, the Contractor shall resume work. The Procurement Officer shall make an equitable adjustment in the delivery schedule or Contract price, or both, and the Contract shall be amended in writing accordingly.

8.3 Non-Exclusive Remedies. The rights and the remedies of the State under this Contract are not exclusive.

8.4 Nonconforming Tender. Materials supplied under this Contract shall fully comply with the Contract. The delivery of materials or services or a portion of the materials or services that do not fully comply constitutes a breach of Contract. On delivery of nonconforming materials or services, the State may terminate the Contract for default under applicable termination clauses in the Contract, exercise any of its rights and remedies under the Uniform Commercial Code, or pursue any other right or remedy available to it.

8.5 Right of Offset. The State shall be entitled to offset against any sums due the Contractor, any expenses or costs incurred by the State, or damages assessed by the State concerning the Contractor's nonconforming performance or failure to perform the Contract, including expenses, costs and damages described in the Uniform Terms and Conditions.

9

Contract Termination

9.1 Cancellation for Conflict of Interest. Pursuant to A.R.S. § 38-511, the State may cancel this Contract within three (3) years after Contract execution without penalty or further obligation if any person significantly involved in initiating, negotiating, securing, drafting or creating the Contract on behalf of the State is or becomes at any time while the Contract or an extension of the Contract is in effect an employee of or a consultant to any other party to this Contract with respect to the subject matter of the Contract. The cancellation shall be effective when the Contractor receives written notice of the cancellation unless the notice specifies a later time. If the Contractor is a political subdivision of the State, it may also cancel this Contract as provided in A.R.S. § 38-511.

9.2 Gratuities. The State may, by written notice, terminate this Contract, in whole or in part, if the State determines that employment or a Gratuity was offered or made by the Contractor or a representative of the Contractor to any officer or employee of the State for the purpose of influencing the outcome of the procurement or securing the Contract, an amendment to the Contract, or favorable treatment concerning the Contract, including the making of any determination or decision about Contract performance. The State, in addition to any other rights or remedies, shall be entitled to recover exemplary damages in the amount of three (3) times the value of the Gratuity offered by the Contractor.

9.3 Suspension or Debarment. The State may, by written notice to the Contractor, immediately terminate this Contract if the State determines that the Contractor has been debarred, suspended or otherwise lawfully prohibited from participating in any public procurement activity, including but not limited to, being disapproved as a subcontractor of any public procurement unit or other governmental body. Submittal of an Offer or execution of a Contract shall attest that the Contractor is not currently suspended or debarred. If the Contractor becomes suspended or debarred, the Contractor shall immediately notify the State.

STATE OF ARIZONA
Uniform Terms and Conditions
Ver. 7.0 (Revised 1/8/2008 sf)

9.4 Termination for Convenience. The State reserves the right to terminate the Contract, in whole or in part at any time, when in the best interests of the State without penalty or recourse. Upon receipt of the written notice, the Contractor shall stop all work, as directed in the notice, notify all subcontractors of the effective date of the termination and minimize all further costs to the State. In the event of termination under this paragraph, all documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the State upon demand. The Contractor shall be entitled to receive just and equitable compensation for work in progress, work completed and materials accepted before the effective date of the termination. The cost principles and procedures provided in A.A.C. R2-7-701 shall apply.

9.5 Termination for Default.

9.5.1 In addition to the rights reserved in the Contract, the State may terminate the Contract in whole or in part due to the failure of the Contractor to comply with any term or condition of the Contract, to acquire and maintain all required insurance policies, bonds, licenses and permits, or to make satisfactory progress in performing the Contract. The Procurement Officer shall provide written notice of the termination and the reasons for it to the Contractor.

9.5.2 Upon termination under this paragraph, all goods, materials, documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the State on demand.

9.5.3 The State may, upon termination of this Contract, procure, on terms and in the manner that it deems appropriate, materials or services to replace those under this Contract. The Contractor shall be liable to the State for any excess costs incurred by the State in procuring materials or services in substitution for those due from the Contractor.

9.6 Continuation of Performance Through Termination. The Contractor shall continue to perform, in accordance with the requirements of the Contract, up to the date of termination, as directed in the termination notice.

10 **Contract Claims.** All Contract claims or controversies under this Contract shall be resolved according to A.R.S. Title 41, Chapter 23, Article 9, and rules adopted thereunder.

11 **Arbitration.** The parties to this Contract agree to resolve all disputes arising out of or relating to this Contract through arbitration, after exhausting applicable administrative review, to the extent required by A.R.S. § 12-1518, except as may be required by other applicable statutes (Title 41).

12 **Comments Welcome.** The State Procurement Office periodically reviews the Uniform Terms and Conditions and welcomes any comments you may have. Please submit your comments to: State Procurement Administrator, State Procurement Office, 100 North 15th Avenue, Suite 104, Phoenix, Arizona, 85007.

1 SPECIAL TERMS AND CONDITIONS

1.1 Purpose

- 1.1.1 Pursuant to provisions of the Arizona Procurement Code, A.R.S. § 41-2501, et. seq., the State of Arizona, Department of Corrections, hereafter known as the Department intends to establish a Contract for Justice Web Interface Application Maintenance and Service for the Information Technology Unit.

1.2 Term of Contract

- 1.2.1 The term of any resultant Contract shall commence on the date of award and shall continue for a period of twelve (12) months thereafter, contingent upon availability of funds and resources to each party with which to carry out its part of the Contract, unless renewed, terminated or canceled, as otherwise provided herein.

- 1.2.1.1 By mutual written Contract amendment, any resultant Contract may be renewed for supplemental periods of up to a maximum of forty-eight (48) months.

1.3 Authority to Contract

- 1.3.1 This Contract activity is issued under the authority of the Arizona Department of Corrections, Chief Procurement Officer. No alteration of any portion of the Contract, any items or services awarded, or any other agreement that is based upon this Contract may be made without express written approval of the Department in the form of an official Contract amendment. Any attempt to alter any documents on the part of the ordering agency or any Contractor is a violation of the Contract and the Arizona Procurement Code. Any such action is subject to legal and Contractual remedies available to the State inclusive of, but not limited to, Contract cancellation, suspension and/or debarment of the Contractor.

1.4 Pricing

- 1.4.1 The method of compensation governing the Contract shall be fixed price.

1.5 Price Increase (12 Months)

- 1.5.1 The Department may review a fully documented request for a price increase only after the Contract has been in effect for twelve (12) months. A price increase adjustment shall only be considered at the time of a Contract renewal and shall be a factor in the renewal review process. The Department shall determine whether the requested price increase or an alternate option is in the best interest of the State.
- 1.5.2 Price reductions may be submitted to the Department for consideration at any time during the Contract period. The Department at its own discretion may accept a price reduction.
- 1.5.3 The price increase adjustment, if approved, will be effective upon the effective date of the Contract renewal. Price reductions will become effective upon acceptance by the Department.

1.6 Unlawful Sexual Conduct

- 1.6.1 A person who is employed by the State Department of Corrections, a private facility or a city or county jail or who Contracts to provide services with the State Department of

Corrections, a private prison facility or a city or county jail commits unlawful sexual conduct by engaging in oral sexual contact, sexual contact or sexual intercourse with a prisoner who is in the custody of the State Department of Corrections, a private prison facility or a city or county jail or with an offender who is under the supervision of the State Department of Corrections or a city or county.

1.6.2 A prisoner who is in the custody of the State Department of Corrections, a private prison facility or a city or county jail or an offender who is on release status and who is under supervision of the State Department of Corrections or a city or county commits unlawful sexual conduct by engaging in oral sexual contact, sexual contact or sexual intercourse with a person who is employed by the State Department of Corrections, a private prison facility or a city or county jail or who Contracts to provide services with the State Department of Corrections, a private prison facility or a city or county jail.

1.6.3 This section does not apply to:

1.6.3.1 A person who is employed by the State Department of Corrections, a private prison facility or a city or county jail or who Contracts to provide services with the State Department of Corrections, a private prison facility or a city or county jail or an offender who is on release status if the person was lawfully married to the prisoner or offender on release status before the prisoner or offender was sentenced to the State Department of Corrections or was incarcerated in a city or county jail.

1.6.3.2 An offender who is on release status and who was lawfully married to a person who is employed by the State Department of Corrections, a private prison facility or a city or county jail or who Contracts to provide services with the State Department of Corrections, a private prison facility or a city or county jail if the marriage occurred prior to the offender being sentenced to the State Department of Corrections or incarcerated in a city or county jail.

1.6.4 Unlawful sexual conduct is a class 5 felony.

1.6.5 Unlawful sexual conduct; correctional employees; prisoners; classification; Definition A.R.S. § 13-1419.

1.7 Documents for Award

1.7.1 The Department will not sign any agreements or any other documents presented for the services listed herein. The completed Offer and Acceptance form signed by the Chief Procurement Officer and the award notice will be the Contract.

1.8 Investigations

1.8.1 The Department reserves the right to make investigations, as deemed necessary, to determine the ability of the Contractor to perform the specified work. The Contractor shall furnish to the Department all such information and data for this purpose as may be requested. The Department reserves the right to reject any Offer if evidence submitted or

SPECIAL TERMS AND CONDITIONS
SOLICITATION NO. 080148DC

ARIZONA DEPARTMENT OF
CORRECTIONS

investigation fails to satisfy the Department that the Contractor is properly qualified to carry out the obligations of the Solicitation. Conditional Offers shall not be accepted.

1.9 Cancellation

1.9.1 The Department reserves the right to cancel the whole or any part of this Contract due to failure by the Contractor to carry out any obligation, term or condition of this Contract. The Department will issue written notice to the Contractor for acting or failing to act as in any of the following:

1.9.1.1 The Contractor provides services or material that does not meet the specifications of this Contract;

1.9.1.2 The Contractor fails to adequately perform the services set forth in the specifications of this Contract;

1.9.1.3 The Contractor fails to complete the services required or to furnish the materials required within the time stipulated in the Contract;

1.9.1.4 The Contractor fails to progress in the performance of this Contract and/or gives the Department reason to believe that the Contractor will not or cannot perform to the requirements of the Contract.

1.9.2 Upon receipt of the written notice of concern, the Contractor shall have ten (10) days to provide a satisfactory response to the Department. Failure on the part of the Contractor to adequately address all issues of concern may result in the Department resorting to any single or combination of the following remedies:

1.9.2.1 Cancel any Contract;

1.9.2.2 Reserve all rights or claims of damage for breach or any covenants of the Contract;

1.9.2.3 Perform any test or analysis on materials or services for compliance with the specifications of this Contract. If the results of any test or analysis find a material non-compliant with the specifications, the actual expense of testing shall be borne by the Contractor;

1.9.3 In case of default, the Department reserves the right to procure services or to complete the required work in accordance with the Arizona Procurement Code. The Department may recover any actual excess costs from the Contractor or by:

1.9.3.1 Deduction from unpaid balance;

1.9.3.2 Collection against the Offer and/or performance bond, or;

1.9.3.3 Any combination of the above or any other remedies as provided by law.

1.10 Confidentiality of Records

1.10.1 The Contractor shall establish and maintain procedures and controls, that are acceptable to the Department for the purpose of assuring that no information contained in its records or obtained from the Department or from others in carrying out its functions under the Contract shall be used or disclosed by it, its agents, officers, or employees, except as required to efficiently perform duties under the Contract. Persons requesting such information should be referred to the Department. Contractor also agrees that any information pertaining to individual persons shall not be divulged other than to employees or officers of the Contractor as needed for the performance of duties under the Contract, unless otherwise agreed to in writing by the Department.

1.11 Indemnification

1.11.1 Contractor shall indemnify, defend, save and hold harmless the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees (hereinafter referred to as "Indemnatee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Contractor or any of its owners, officers, directors, agents, employees or subcontractors. This indemnity includes any claim or amount arising out of or recovered under the Workers' Compensation Law or arising out of the failure of such contractor to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. It is the specific intention of the parties that the Indemnatee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnatee, be indemnified by Contractor from and against any and all claims. It is agreed that Contractor will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable. In consideration of the award of this contract, the Contractor agrees to waive all rights of subrogation against the State of Arizona, its officers, officials, agents and employees for losses arising from the work performed by the Contractor for the State of Arizona.

1.11.2 This indemnity shall not apply if the contractor or sub-contractor(s) is/are an agency, board, commission or university of the State of Arizona.

1.12 Insurance

1.12.1 Contractor and subcontractors shall procure and maintain until all of their obligations have been discharged, including any warranty periods under this Contract, are satisfied, insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees or subcontractors.

1.12.2 The insurance requirements herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. The State of Arizona in no way warrants that the minimum limits contained herein are sufficient to protect the

Contractor from liabilities that might arise out of the performance of the work under this contract by the Contractor, its agents, representatives, employees or subcontractors, and Contractor is free to purchase additional insurance.

1.12.3 MINIMUM SCOPE AND LIMITS OF INSURANCE: Contractor shall provide coverage with limits of liability not less than those stated below.

1.12.4 Commercial General Liability – Occurrence Form. Policy shall include bodily injury, property damage, personal injury and broad form contractual liability coverage.

1.12.4.1 General Aggregate	\$2,000,000
1.12.4.2 Products - Completed Operations Aggregate	\$1,000,000
1.12.4.3 Personal and Advertising Injury	\$1,000,000
1.12.4.4 Blanket Contractual Liability – Written and Oral	\$1,000,000
1.12.4.5 Fire Legal Liability	\$ 50,000
1.12.4.6 Each Occurrence	\$1,000,000

1.12.4.7 The policy shall be endorsed to include the following additional insured language: "The State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees shall be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor".

1.12.4.8 Policy shall contain a waiver of subrogation against the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

1.12.5 Automobile Liability - Bodily Injury and Property Damage for any owned, hired, and/or non-owned vehicles used in the performance of this Contract.

1.12.5.1 Combined Single Limit (CSL) \$1,000,000

1.12.5.2 The policy shall be endorsed to include the following additional insured language: "The State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees shall be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor, involving automobiles owned, leased, hired or borrowed by the Contractor".

1.12.6 Worker's Compensation and Employers' Liability

1.12.6.1 Workers' Compensation	Statutory
1.12.6.2 Employers' Liability:	
1.12.6.3 Each Accident	\$ 500,000
1.12.6.4 Disease – Each Employee	\$ 500,000

1.12.6.5 Disease – Policy Limit \$1,000,000

1.12.6.6 Policy shall contain a waiver of subrogation against the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

1.12.6.7 This requirement shall not apply to: Separately, each contractor or subcontractor exempt under A.R.S. 23-901, and when such contractor or subcontractor executes the appropriate waiver (Sole Proprietor/Independent Contractor) form.

1.12.7 Professional Liability (Errors and Omissions Liability)

1.12.7.1 Each Claim \$1,000,000

1.12.7.2 Annual Aggregate \$2,000,000

1.12.7.3 In the event that the professional liability insurance required by this Contract is written on a claims-made basis, Contractor warrants that any retroactive date under the policy shall precede the effective date of this Contract; and that either continuous coverage will be maintained or an extended discovery period will be exercised for a period of two (2) years beginning at the time work under this Contract is completed.

1.12.7.4 The policy shall cover professional misconduct or lack of ordinary skill for those positions defined in the Scope of Work of this contract.

1.12.8 **ADDITIONAL INSURANCE REQUIREMENTS:** The policies shall include, or be endorsed to include, the following provisions:

1.12.8.1 The State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees wherever additional insured status is required such additional insured shall be covered to the full limits of liability purchased by the Contractor, even if those limits of liability are in excess of those required by this Contract.

1.12.8.2 The Contractor's insurance coverage shall be primary insurance with respect to all other available sources.

1.12.8.3 Coverage provided by the Contractor shall not be limited to the liability assumed under the indemnification provisions of this Contract.

1.12.9 **NOTICE OF CANCELLATION:** Each insurance policy required by the insurance provisions of this Contract shall provide the required coverage and shall not be suspended, voided, canceled, or reduced in coverage or in limits except after thirty (30) days prior written notice has been given to the State of Arizona. Such notice shall be sent

SPECIAL TERMS AND CONDITIONS
SOLICITATION NO. 080148DC

ARIZONA DEPARTMENT OF
CORRECTIONS

directly to State of Arizona Department of Corrections, 1601 West Jefferson Street, M/C 55303, Phoenix, AZ 85007-3002 and shall be sent by certified mail, return receipt requested.

- 1.12.10 **ACCEPTABILITY OF INSURERS:** Insurance is to be placed with duly licensed or approved non-admitted insurers in the state of Arizona with an "A.M. Best" rating of not less than A- VII. The State of Arizona in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.
- 1.12.11 **VERIFICATION OF COVERAGE:** Contractor shall furnish the State of Arizona with certificates of insurance (ACORD form or equivalent approved by the State of Arizona) as required by this Contract. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.
- 1.12.12 All certificates and endorsements are to be received and approved by the State of Arizona before work commences. Each insurance policy required by this Contract must be in effect at or prior to commencement of work under this Contract and remain in effect for the duration of the project. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.
- 1.12.13 All certificates required by this Contract shall be sent directly to State of Arizona Department of Corrections, 1601 West Jefferson Street, M/C 55303, Phoenix, AZ 85007-3002. The State of Arizona project/contract number and project description shall be noted on the certificate of insurance. The State of Arizona reserves the right to require complete, certified copies of all insurance policies required by this Contract at any time. Do not send certificates of insurance to the state of Arizona's Risk Management section.
- 1.12.14 **SUBCONTRACTORS:** Contractors' certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall furnish to the State of Arizona separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum requirements identified above.
- 1.12.15 **APPROVAL:** Any modification or variation from the insurance requirements in this Contract shall be made by the Department of Administration, Risk Management Section, whose decision shall be final. Such action will not require a formal Contract amendment, but may be made by administrative action.
- 1.12.16 **EXCEPTIONS:** In the event the Contractor or sub-contractor(s) is/are a public entity, then the Insurance Requirements shall not apply. Such public entity shall provide a Certificate of Self-Insurance. If the contractor or sub-contractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.
- 1.13 **Independent Status of the Contractor**
- 1.13.1 The Contractor is an independent Contractor and will not, under any circumstances, be considered an employee, servant or agent of the Department, nor will the employees, servants or agents of the Contractor be considered employees of the Department.

1.13.2 Personnel actions of employees on the Contractor's payroll shall be the Contractor's responsibility. The Contractor shall comply with all applicable government regulations related to the employment, compensation and payment of personnel.

1.13.3 The Department will not be responsible in any way for the damage or loss caused by fire, theft, accident, or otherwise to the Contractor's stored supplies, materials, equipment, or his employee's personal property stored on Department property.

1.14 Notice Warning

1.14.1 Any person who takes into or out of or attempts to take into or out of a correctional facility or the grounds belonging to or adjacent to a correctional facility, any item not specifically authorized by the correctional facility, shall be prosecuted under the provisions of the Arizona Revised Statutes. All persons, including employees and visitors, entering upon these confines are subject to routine searches of their persons, vehicles, property or packages in accordance with Department Order 708 and A.R.S. § 13-2505.

Authority A.R.S. § 13-2501.

1.15 Contraband

1.15.1 Contraband means any dangerous drug, narcotic drug, intoxicating liquor of any kind, deadly weapon, dangerous instrument, explosive or any other article whose use of or possession would endanger the safety, security or preservation of order in a correctional facility or any person therein. (Any other article includes any substance which could cause abnormal behavior, i.e., marijuana, nonprescription medication, etc.)

Promoting prison contraband A.R.S. § 13-2505 and Department Order 708.

1.15.1.1 A person, not otherwise authorized by law, commits promoting contraband:

1.15.1.2 By knowingly taking contraband into a correctional facility or the grounds of such a facility; or

1.15.1.3 By knowingly conveying contraband to any persons confined in a correctional facility; or

1.15.1.4 By knowingly making, obtaining, or possessing contraband in a correctional facility.

1.16 Business Standing A.R.S. § 10-1501

1.16.1 A selected Contractor whose business structure requires that documents be filed regularly with the Arizona Corporation Commission (ACC) must remain in good standing with the ACC during the term of the Contract. An out-of-state firm selected for Contract award must file necessary documents with the ACC as doing business in Arizona prior to execution of the Contract and, throughout the term of the Contract, must remain in good standing with the ACC and the entity where the original documents were filed.

1.17 Inclusive Offeror

1.17.1 Offeror(s) are encouraged to make every effort to utilize subcontractors that are small, women-owned and/or minority owned business enterprises. This could include subcontractors for percentage of Name of Service, (Lottery Advertising included creative development, media placement or printing services). Offerors who are committing a portion of their work to such subcontractors shall do so by identifying the type of service and work to be performed by providing detail concerning your organization's utilization of small, women-owned and/or minority business enterprises. Emphasis should be placed on specific areas that are subcontracted and percentage of contract utilization and how this effort will be administered and managed, including reporting requirements.

1.18 Government Procurement; E-Verify Requirement A.R.S. § 41-4401

1.18.1 The Contractor warrants compliance with all Federal Immigration laws and regulations relating to employees and warrants its compliance with Section A.R.S. § 23-214, Subsection A. (That subsection reads: "After December 31, 2007, every employer, after hiring an employee, shall verify the employment eligibility of the employee through the E-Verify program.").

1.18.2 A breach of a warranty regarding compliance with immigration laws and regulations shall be deemed a material breach of the contract and the contractor may be subject to penalties up to and including termination of the contract.

1.18.3 Failure to comply with a State audit process to randomly verify the employment records of contractors and subcontractors shall be deemed a material breach of the contract and the contractor may be subject to penalties up to and including termination of the contract.

1.18.4 The State Agency retains the legal right to inspect the papers of any employee who works on the contract to ensure that the contractor or subcontractor is complying with the warranty under paragraph 1.19.1.

1.19 I.R.S. W-9 Form Request for Taxpayer Identification Number and Certification.

1.19.1 In order to receive payment, the Contractor shall have a current I.R.S. W9 Form on file with the State of Arizona, unless not required by law. See Attached form.

2 **SCOPE OF WORK**

- 2.1 This Contract covers the Justice Web Interface Software ("Software") currently in use by the Department. Pragmatica will supply to all updates and enhancements made during the period of this Contract.
- 2.1.1 Covered services by Pragmatica include:
- 2.1.1.1 Up to two (2) onsite deployments of the "Software"
 - 2.1.1.2 Assistance in operation of the "Software" through telephone and email
 - 2.1.1.3 Application updates required to support message format changes implemented by the AZ Department of Public Safety
 - 2.1.1.4 The migration from IBM DB2 Express v8.2 to IBM DB2 Express-C v9.5
- 2.2 Maintenance and Technical Support
- 2.2.1 Maintenance includes, Upgrades and the applications of service packs to supporting software (IBM DB2, IBM WebSphere Application Server, IBM Tivoli Directory Server, IBM HTTP Server, and IBM WebSphere MQ) are included in the allotted four (4) hours
- 2.2.2 The yearly fee provides telephone and email support not to exceed four (4) hours per month (1st at 12:00 am to end of month 11:59 pm, Arizona GMT) for covered services, as defined by the scope of this Contract.
- 2.2.3 Normal business hours are 8 am to 5 pm Monday through Friday. Business hour support will be billed at a minimum of one (1) hour per support incident. No after hours support will be included.
- 2.2.3.1 During normal business hours, additional support and custom enhancements will be billed at the hourly rate of \$115.
- 2.3 Additional fees will be charged on an hourly basis, the hourly rate is \$115. All additional fees are subject to Department approval.
- 2.3.1 Hours expended above the allotted four (4) will be billed at the hourly rate.
- 2.3.2 Supplementary support (including onsite and custom enhancements) will be available with additional fees.
- 2.3.3 All onsite support will be billed at the hourly rate, including travel time from Pragmatica's office to/from Department site (excepting the included onsite deployments).
- 2.3.4 Additional fees will be billed as they occur by separate invoice. Any fees above the allotted four (4) hours per month must be approved by the Department.
- 2.3.5 Pragmatica will maintain daily records of hours and tasks performed under the additional fee category, which will be submitted to the Department monthly upon request.

SCOPE OF WORK
SOLICITATION NO. 080148DC

ARIZONA DEPARTMENT OF
CORRECTIONS

- 2.4 Pragmatica will maintain monthly records of tasks performed, which will be submitted to the Department upon request. All work schedules will be considered reasonably accurate estimates, subject to revision.
- 2.5 INVOICING:
- 2.5.1 The Contractor shall maintain adequate records of time spent and services rendered and submit signed, itemized invoices to include services provided by subcontractors. All invoices must contain the Department Contract number assigned to this Contract 080148DC. By the tenth (10th) workday of each month the Contractor shall invoice the Department for services rendered the previous month. All invoices shall be submitted to the Department's Project Director, or designee for approval. The Department shall make payment to the Contractor in accordance with the Fee Schedule within thirty (30) days after receipt and approval of the invoice for services satisfactorily performed. The Contractor shall be required to pay approved subcontractor(s) for services rendered.
- 2.5.2 All invoices shall include at least the following information:
- 2.5.2.1 The name of each service provider
- 2.5.2.2 Participant's/Employee's full name
- 2.5.2.3 Type(s) of service provided
- 2.5.2.4 Contract number (080148DC)
- 2.5.2.5 Date(s) service was provided
- 2.5.2.6 Invoiced amount for each service/unit of service provided
- 2.5.2.7 Total invoiced amount
- 2.5.3 Invoices shall be submitted to:
Arizona Department of Corrections
1601 West Jefferson Street
Mail Code 804
Phoenix, Arizona 85007
- 2.5.4 Pragmatica will submit quarterly invoices (\$2,125.00) to the Department after completion of the quarter.
- 2.5.5 Contractors, who desire to receive Automated Clearing House (ACH) payments, may call the General Accounting Office (GAO) Vendor Section at (602) 542-1679 or visit the GAO web site www.gao.state.az.us and select the ACH Info button.

3 SERVICE LOCATIONS

- 3.1 Arizona Department of Corrections
1645 West Jefferson Street
Phoenix, Arizona 85007
- 3.2 Arizona Department of Corrections
801 South 16th Street
Phoenix, Arizona 85034

4 FEE SCHEDULE

- 4.1 Fees must represent all required services and shall include applicable State and local taxes, workmen's compensation, insurance, profit and overhead. Fees must be all inclusive. The Department will not reimburse any item other than the all inclusive rate in accordance with the Scope of Work and Specifications stated herein.

4.1.1 Pragmatica shall provide annual support as identified in the Scope of Work **\$8,500.00**

4.1.2 Additional fees as identified in the Scope of Work, Paragraph 2.3 **\$115.00/Hr**

NOTICE: The vendor acknowledges that all products delivered and all services rendered under any contract resulting from this solicitation shall comply in all respects to performance and delivery requirement of the specifications and shall not be adversely affected by any date-related Year 2000 issues. The vendor further acknowledges that the defense of force majeure shall not apply to its failure to perform specification requirements as a result to any date-related data Year 2000 issues.

SALES TAX PERCENT: _____%, (See Uniform Instructions to Offerors for Formal Solicitation, Paragraph 3.11)

PROMPT PAYMENT DISCOUNT: The price(s) quoted herein can be discounted by: _____%, if payment is within _____ days.

PLEASE CHECK THE APPROPRIATE SELECTION BELOW THAT APPLIES TO YOUR COMPANY:

- | | | |
|---|---|---|
| <input type="checkbox"/> 0. Non-Small/Non-Minority/Non Disabled | <input type="checkbox"/> 1. Small Business | <input type="checkbox"/> 2. Minority Owned Business |
| <input type="checkbox"/> 3. Women Owned Business | <input type="checkbox"/> 4. Owned By Disable Individual | <input type="checkbox"/> 5. Small Business/Minority Owned |
| <input type="checkbox"/> 6. Small Business/Women Owned | <input type="checkbox"/> 7. Small Business/Disable Owner | <input type="checkbox"/> 8. Minority-Women Owned Business |
| <input type="checkbox"/> 9. Disable-Minority Owner Business | <input type="checkbox"/> 10. Disabled-Women Owned Business | |
| <input type="checkbox"/> 11. Small Business/Minority-Women Owned | <input type="checkbox"/> 12. Small Business/Disabled-Minority Owned | |
| <input type="checkbox"/> 13. Small Business/Disabled Minority-Women Owned | | |



CERTIFICATE OF INSURANCE

SOLICITATION NO. 080148DC

VENDOR *Pragmatica LLC*

ARIZONA
DEPARTMENT OF
CORRECTIONS
1601 W. Jefferson St. M/C 55302
PHOENIX, AZ 85007-3002

PRIOR TO COMMENCING SERVICES UNDER THIS CONTRACT, THE CONTRACTOR MUST FURNISH THE STATE, CERTIFICATION FROM INSURER(S) FOR COVERAGE IN THE MINIMUM AMOUNTS AS STATED BELOW. THE COVERAGE SHALL BE MAINTAINED IN FULL FORCE AND EFFECT DURING THE TERM OF THIS CONTRACT, AND SHALL NOT SERVE TO LIMIT ANY LIABILITIES OR ANY OTHER CONTRACTOR OBLIGATIONS.

NAME AND ADDRESS OF INSURANCE AGENCY:

Brenda Wix Ins Agcy Inc
Brenda Wix CPCU, Agent
640' E Thomas Road, Suite 102
Scottsdale, AZ 85261-6078
Bus 480 994 9200 Fax 480 994 8800



COMPANY LETTER

A 25178

B 25151

C

D

COMPANIES AFFORDING COVERAGE

State Farm Fire & Casualty Company

State Farm General Insurance Company

NAME AND ADDRESS OF INSURED:

Pragmatica LLC
425 W Ray Rd
Gilbert AZ 85233-8404

LIMITS OF LIABILITY MINIMUM EACH OCCURRENCE		COMPANY LETTER	TYPE OF INSURANCE	POLICY NUMBER	DATE POLICY EXPIRES
GENERAL AGGREGATE BODILY INJURY/PROPERTY DAMAGE EACH OCCURRENCE OR BODILY INJURY AND PROPERTY DAMAGE COMBINED	\$2,000,000.00 \$1,000,000.00 \$1,000,000.00 \$1,000,000.00 \$1,000,000.00	A	COMPREHENSIVE GENERAL LIABILITY FORM PREMISES OPERATIONS CONTRACTUAL INDEPENDENT CONTRACTORS PRODUCTS/COMPLETED OPERATIONS HAZARD PERSONAL INJURY BROAD FORM PROPERTY DAMAGE EXPLOSION & COLLAPSE (IF APPLICABLE) UNDERGROUND HAZARD (IF APPLICABLE)	43-ES-71313	9-11-2009
SAME AS ABOVE			COMPREHENSIVE BUSINESS AUTO LIABILITY INCLUDING NON-OWNED (IF APPLICABLE)		
NECESSARY IF UNDERWRITING IS NOT ABOVE MINIMUM		A	UMBRELLA LIABILITY	03-6F-0853-8	10-20-2009
STATUTORY EACH ACCIDENT	\$500,000.00		WORKMEN'S COMPENSATION AND EMPLOYER'S LIABILITY		
EACH OCCURRENCE	\$1,000,000.00	B	PROFESSIONAL LIABILITY	000201500	11-20-2009
ACTUAL REPLACEMENT COST			PERSONAL PROPERTY (IF APPLICABLE)		

STATE OF ARIZONA AND THE DEPARTMENT NAMED ABOVE ARE ADDED AS ADDITIONAL INSURED AS REQUIRED BY STATUTE, CONTRACT, PURCHASE ORDER OR OTHERWISE REQUESTED. IT IS AGREED THAT ANY INSURANCE AVAILABLE TO THE NAMED INSURED SHALL BE PRIMARY OF OTHER SOURCES THAT MAY BE AVAILABLE.

IT IS FURTHER AGREED THAT NO POLICY SHALL EXPIRE, BE CANCELED OR MATERIALLY CHANGED TO AFFECT THE COVERAGE AVAILABLE TO THE STATE WITHOUT THIRTY (30) DAYS WRITTEN NOTICE TO THE STATE. THIS CERTIFICATE IS NOT VALID UNLESS COUNTERSIGNED BY AN AUTHORIZED REPRESENTATIVE OF THE INSURANCE COMPANY.

NAME AND ADDRESS OF CERTIFICATE HOLDER

Arizona Department of Corrections
1601 W Jefferson M/C 55302
Phoenix AZ 85007-3002

DATE ISSUED 4-20-2009

Brenda Wix
AUTHORIZED REPRESENTATIVE

BR Policy No. 93-ES-7131-3

FE-6671
Page 1 of 1

**WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST
OTHERS TO US**

SCHEDULE

Policy Number: 93-ES-7131-3

Named Insured: PRAGMATICA LLC

Name and Address of Person or Organization:

ARIZONA DEPARTMENT OF
CORRECTIONS M/C 55302
1601 W JEFFERSON ST
PHOENIX AZ 85007 3002

The following is added to Paragraph 10.b. of SECTION I AND SECTION II — COMMON CONDITIONS.

We waive any right of recovery we may have against the person or organization shown in the Schedule because of payments we make for injury or damage arising out of:

- a. Your ongoing operations; or
- b. Your work done under contract with that person or organization and included in the products-completed operations hazard.

This waiver applies only to the person or organization shown in the Schedule.

All other policy provisions apply.

FE-6671

©, Copyright, State Farm Mutual Automobile Insurance Company, 2008
Includes copyrighted material of Insurance Services Office, Inc., with its permission.



CERTIFICATE OF INSURANCE

SOLICITATION NO. 080148DC

VENDOR

ARIZONA
DEPARTMENT OF
CORRECTIONS
1601 W. Jefferson St. M/C 55302
PHOENIX, AZ 85007-3002

PRIOR TO COMMENCING SERVICES UNDER THIS CONTRACT, THE CONTRACTOR MUST FURNISH THE STATE, CERTIFICATION FROM INSURER(S) FOR COVERAGE IN THE MINIMUM AMOUNTS AS STATED BELOW. THE COVERAGE SHALL BE MAINTAINED IN FULL FORCE AND EFFECT DURING THE TERM OF THIS CONTRACT, AND SHALL NOT SERVE TO LIMIT ANY LIABILITIES OR ANY OTHER CONTRACTOR OBLIGATIONS.

NAME AND ADDRESS OF INSURANCE AGENCY:

COMPANY
LETTER

COMPANIES AFFORDING COVERAGE

A

B

NAME AND ADDRESS OF INSURED:

C

D

LIMITS OF LIABILITY MINIMUM - EACH OCCURRENCE		COMPANY LETTER	TYPE OF INSURANCE	POLICY NUMBER	DATE POLICY EXPIRES
GENERAL AGGREGATE: BODILY INJURY: PER PERSON	\$2,000,000.00 \$1,000,000.00		COMPREHENSIVE GENERAL LIABILITY FORM PREMISES OPERATIONS CONTRACTUAL INDEPENDENT CONTRACTORS PRODUCTS/COMPLETED OPERATIONS HAZARD PERSONAL INJURY BROAD FORM PROPERTY DAMAGE EXPLOSION & COLLAPSE (IF APPLICABLE) UNDERGROUND HAZARD (IF APPLICABLE)		
EACH OCCURRENCE PROPERTY DAMAGE OR BODILY INJURY AND PROPERTY DAMAGE COMBINED	\$1,000,000.00 \$1,000,000.00 \$1,000,000.00				
SAME AS ABOVE			COMPREHENSIVE BUSINESS AUTO LIABILITY INCLUDING NON-OWNED (IF APPLICABLE)		
NECESSARY IF UNDERLYING IS NOT ABOVE MINIMUM			UMBRELLA LIABILITY		
STATUTORY EACH ACCIDENT	\$500,000.00		WORKMEN'S COMPENSATION AND EMPLOYER'S LIABILITY		
EACH OCCURRENCE	\$1,000,000.00		PROFESSIONAL LIABILITY		
	ACTUAL REPLACEMENT COST		PERSONAL PROPERTY (IF APPLICABLE)		

STATE OF ARIZONA AND THE DEPARTMENT NAMED ABOVE ARE ADDED AS ADDITIONAL INSURED AS REQUIRED BY STATUTE, CONTRACT, PURCHASE ORDER OR OTHERWISE REQUESTED. IT IS AGREED THAT ANY INSURANCE AVAILABLE TO THE NAMED INSURED SHALL BE PRIMARY OF OTHER SOURCES THAT MAY BE AVAILABLE.

IT IS FURTHER AGREED THAT NO POLICY SHALL EXPIRE, BE CANCELED OR MATERIALLY CHANGED TO AFFECT THE COVERAGE AVAILABLE TO THE STATE WITHOUT THIRTY (30) DAYS WRITTEN NOTICE TO THE STATE. THIS CERTIFICATE IS NOT VALID UNLESS COUNTERSIGNED BY AN AUTHORIZED REPRESENTATIVE OF THE INSURANCE COMPANY.

NAME AND ADDRESS OF CERTIFICATE HOLDER

DATE ISSUED _____

AUTHORIZED REPRESENTATIVE _____

STATE OF ARIZONA



COMPETITION IMPRACTICAL

ADC CONTRACT NUMBER: 080148DC

DUE DATE: April 21, 2009 AT 3:00 P.M. M.S.T.

MAILING ADDRESS:

ARIZONA DEPARTMENT OF CORRECTIONS
1601 WEST JEFFERSON, MAIL CODE 55302
ATTN: PROCUREMENT SERVICES
PHOENIX, ARIZONA 85007

HAND DELIVERY-OVERNIGHT MAIL

ARIZONA DEPARTMENT OF CORRECTIONS
ATTN: PROCUREMENT SERVICES
1645 WEST JEFFERSON STREET
4TH FLOOR, SUITE 4401
PHOENIX, ARIZONA 85007

In accordance with A.R.S. § 41-2537, Competition Impractical quotation for the materials or services specified will be received by the Department of Corrections, at the above specified location.

REQUESTING AGENCY:

Arizona Department of Corrections

SERVICE:

Justice Web Interface Application
Maintenance and Service

LOCATION:

Information Technology

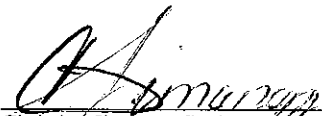
CONTRACT TYPE:

Fixed Price

CONTRACT TERM:

Twelve (12) Months with Option to Renew

An Equal Employment Opportunity Agency


Christina Jimenez, Senior Procurement Specialist

(602) 542-1172
PHONE

April 10, 2009
DATE

DENEL PICKERING, CHIEF PROCUREMENT OFFICER